



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

ADDRESS OF WELCOME.¹

Mr. President, and Members of the American Economic Association ; Mr. Chairman and Members of the Committee of Arrangements :

I do not exaggerate when I declare that this seems to me the most important of all the meetings of various Associations which it has been our happiness to welcome to our Halls. I should attribute this no less to the great and far-reaching importance of the science to which the Association is devoted, than to the fact that, as it seems to me, the formation of this Association marks an epoch in the history of that science in this country at least. And I am particularly glad that this meeting—which is but the third of the series—is held at this University, because there has in some quarters been an erroneous and injurious impression as to the teaching of economic science here conducted. It should excite no surprise that economists have long been divided into hostile camps and schools. As long as subjects of extreme complexity and with the closest relations to practical interests, were treated in a theoretical or metaphysical manner, there was every chance not only for divergence of opinion but for utter antagonisms. When learned writers, discussing gravely a subject which inevitably involves the strongest instincts of

¹Owing to difficulty in arranging otherwise, the opening exercises were not held at the first session of the Association, but the addresses are here placed in their natural order.

human nature, and the most important and complicated functions of organized society, could say "that although desirable that the instructor should be familiar with the subject himself, it is by no means indispensable, since with a well-arranged text-book in the hands of both teacher and pupil, with suitable effort on the part of the former, and attention on the part of the latter, the study may be profitably pursued," it is not strange that the performances of the pupils were often sufficiently surprising. When theory and dogmatic assertion reign in the treatment of scientific questions, it marks a stage when the teachers themselves have not enough actual knowledge to be aware of the extent of their own ignorance.

The neatly expressed formulas of some of the old economists remind one of Sangrado's teachings in therapeutics. "My child," said he to Gil Blas, "I will immediately disclose to thee the whole extent of that salutary art which I have professed so many years. Other physicians make this consist in the knowledge of a thousand difficult sciences; but I intend to go a shorter way to work, and spare thee the trouble of studying pharmacy, anatomy, botany and physic; know, my friend, all that is required is to bleed the patients and to make them drink warm water. This is the secret of curing all the distempers incident to man." Scarcely less touching was the confidence with which the partisans of this or that economic theory advocated their dogma as the panacea for all the ills of the body, social and politic. By one school the virtues of absolutely free competition were extolled in terms as warmly colored as those of Sangrado. "Drink, my children," exclaimed

this truly admirable philosopher, "drink water in great abundance; it is an universal menstruum that dissolves all kinds of salt. When the course of the blood is too languid, this accelerates its motion, and when too rapid checks its impetuosity," And in some places, "*Laissez-faire*" was practised until society got into such a plight as to extort from the veriest doctrinaires a cry of "*Que le diable allait-il faire dans cette galère.*" While by another school equally extravagant encomiums were bestowed upon a Brunoman policy of such extreme interference and control upon the part of the Government, that human industries might come to be in danger of having their bases of support so modified artificially that like Chinese girls, they could scarcely walk alone.

Extreme and sudden oscillations of opinions are frequent in the history of every inductive science pending the accumulation and collection of adequate data upon which sound generalizations may be based. If this is true in regard to sciences which deal with phenomena readily admitting of definite determination, with how much reason must it have been expected of a branch of study which—in its most moderate limitation—must include a vast number of complex problems involving human nature in its individual, social, municipal and national relations. Nor can it be restricted to those phenomena, which would at first sight seem strictly connected with the production and distribution of wealth. While recognizing the wider range of general sociology as compared with economic science, analysis indicates, and the study of current economic work shows the necessity of including most of the problems of Social Science, treated from an economic point of view.

And just as medical science must concern itself with both physiology and pathology; with the conduct and functions of the organism and of the protoplasm of the individual cell, under normal and morbid influences, so must the economist observe, record, compare and eventually generalize upon the phenomena shown by man, the protoplasm of the race, and by societies, municipal and national; in the discharge of their economic functions under what may be called physiological and pathological conditions.

Since the genius of Adam Smith swept away a thicket of errors and fallacies, and left his own monumental and immortal work the more conspicuous, as marking the close of the old and the beginning of the new era of economic science, what ceaseless activity has been witnessed in this immense field, at first by isolated workers, influenced it might be by the *idola tribus* or by the *idola specus*, but more recently by cöordinated effort, inspired by the illuminating and epoch-making genius of Darwin and of Spencer, and proceeding upon a method which, whether styled historical, comparative, statistical or physiological, is at least truly scientific as opposed to metaphysical, and which is converting the "dismal and unprofitable science" into one of the most fascinating and fruitful fields of investigation. It is at such a period, and, as may be readily determined by an examination of your transactions, it is in such a broad and scientific spirit that the American Economic Association has begun its career. No society ever offered in higher degree than does our American society, rich and varied material for scientific investigation; or needed more urgently for its continued

stability and prosperity, the establishment and diffusion of sound economic knowledge and principles.

The previous sessions of your Association, Mr. President, have been eminently successful. The largest expectations have been awakened as to the degree of influence and usefulness which it may attain under the able cöoperation of yourself and of your distinguished colleagues. Mixed with the cordial pleasure with which your visit here is welcomed, is a feeling of keen regret that one of your most active members, and one of the most highly valued members of our own faculty (Professor E. J. James), is absent in foreign parts in consequence of severe and prolonged illness. He looked forward with intense interest to this meeting. He is with us in closest sympathy, and I am happy to know that his long absence is yielding the desired result of a steady progress towards complete recovery.¹

¹For the order of exercises at this opening session *see* pages 60-61.